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BEFORE THE ARIZONA CORPORATION COMMISSION

32

COMMISSIONERS

JEFF HATCH-MILLER, Chairman

WILLIAM A. MUNDELL

MIKE GLEASON

KRISTIN K. MAYES

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AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION  
OF ARIZONA PUBLIC SERVICE COMPANY  
FOR A HEARING TO DETERMINE THE FAIR  
VALUE OF THE UTILITY PROPERTY OF THE  
COMPANY FOR RATEMAKING PURPOSES,  
TO FIX A JUST AND REASONABLE RATE OF  
RETURN THEREON, TO APPROVE RATE  
SCHEDULES DESIGNED TO DEVELOP SUCH  
RETURN, AND TO AMEND DECISION NO. 67744

DOCKET No. E-01345A-05-0826  
E-01345A-05-0827

DOCKET NO. E-01345A-05-0816

NOTICE OF FILING  
TESTIMONY

Federal Executive Agencies (FEA), by and through the undersigned attorney,  
representing all Federal customers of Arizona Public Service Company, hereby provides  
notice of filing the Direct Testimony of Colonel Ben Hancock in this proceeding. Initial  
notice of filing of this testimony was provided to the Docket on 1 September 2006, but it  
was subsequently discovered that the testimony of Colonel Hancock was inadvertently  
left out of the filing. This filing corrects that error. An electronic copy of the testimony  
was provided on 1 September 2006 to those parties for whom I have email addresses.  
Although I believe that hard copies were mailed to those parties for whom I do not have  
email addresses, an additional copy is being mailed this date to ensure that all parties  
have a copy of the testimony.

RESPECTFULLY SUBMITTED this 4th day of October 2006.

Arizona Corporation Commission  
**DOCKETED**  
OCT - 4 2006

DOCKETED BY

hr

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

In the Matter of the Application of Arizona )  
Public Service Company for a Hearing to )  
Determine the Fair Value of the Utility )  
Property of the Company for Ratemaking )  
Purposes, to Fix a Just and Reasonable Rate )  
of Return Thereon, to Approve Rate )  
Schedules Designed to Develop Such Return, )  
and to Amend Decision No. 67744 )

Docket No. E-01345A-05-0816

Testimony  
Of  
Colonel Ben Hancock  
On behalf of  
Federal Executive Agencies

September 1, 2006

1   **Testimony of Colonel Ben Hancock**

2

3   **Q. Please state your name and position:**

4   A. I am Colonel Ben D. Hancock, Commanding Officer, Marine Corps Air Station  
5   Yuma ("MCAS Yuma"), Arizona.

6

7   **Q. Would you please summarize your education and professional background?**

8

9   A: I am the son of a career Army Green Beret soldier. I worked full-time as a uniformed  
10   trooper with the Arizona Highway Patrol for four years while attending college. I  
11   received my Bachelor of Science degree from Arizona State University and was  
12   commissioned a Second Lieutenant in May 1983 through the Platoon Leaders Class (Air)  
13   program. After completing The Basic School I reported to the Naval Aviation Training  
14   Command and was designated a Naval Aviator in January 1986.

15

16       I began my Marine Corps career at Cherry Point, North Carolina for instruction in the  
17   AV-8B Harrier. I deployed to Iwakuni, Japan, and served a Mediterranean Sea cruise  
18   aboard the USS Guam. I flew combat mission over Kuwait and Iraq and served as the  
19   Power Line Division Officer and Quality Assurance Office in support of Operations  
20   Desert Shield and Desert Storm.

21

22       In July 1993, I was selected to fly with the U.S. Navy Blue Angels. In this capacity, I  
23   flew the F/A-18 Hornet as the Right Wingman for the 1994 and 1995 air show seasons.  
24   After serving with the Blue Angels, I served for eight months at Marine Officer  
25   Candidate School, Quantico, VA as the Academics Officer and as a Company  
26   Commander before attending Marine Corps Command and Staff College where I  
27   graduated in June 1997 with a Masters degree in Military Studies. In 2000, I attended Air  
28   War College, graduating in June 2001 with a Masters in Strategic Studies.

29

30       I served as commander of VWA-231 at Marine Corps Air Station Cherry Point, North  
31   Carolina, and assumed command of Marine Corps Air Station Yuma in July 2005.



1 I have accumulated over 3,600 hours of military flight time. My personal awards  
2 include three awards of the Meritorious Service Medal, Strike Flight Air Medal, three  
3 awards of the Navy and Marine Corps Commendation Medal, the Navy and Marine  
4 Corps Achievement Medal, the Combat Action Ribbon, and numerous unit and campaign  
5 awards.

6  
7 **Q. What is the purpose of your testimony?**

8  
9 A. The purpose of my testimony is to identify the economic impact of MCAS Yuma on  
10 the Arizona economy, and highlight the impact of increased utility bills on MCAS Yuma.

11  
12 **Q. What is the military mission of MCAS Yuma?**

13  
14 A: MCAS Yuma is one of the Marine Corps' premier aviation training bases. With  
15 access to 2.8 million acres of bombing and aviation training ranges and superb flying  
16 weather, MCAS Yuma supports 80 percent of the Marine Corps' air-to-ground aviation  
17 training. Each year, the air station hosts numerous units and aircraft from U.S. and NATO  
18 forces and supports over 250,000 mandays of aviation training per year.

19  
20 Nestled in five square miles just southeast of Yuma, the air station is home to a  
21 number of tenant units including Marine Aviation Weapons and Tactics Squadron-1 (the  
22 Marine "Top Gun" school), Marine Aircraft Group-13, Marine Wing Support Squadron-  
23 371, Marine Fighter Training Squadron-401, Marine Air Control Squadron-1 and Combat  
24 Service Support Detachment-16.

25  
26 **Q. What is the size of the workforce at MCAS Yuma?**

27  
28 A: Approximately 5,000 Military, 1,300 Civilians, 7,300 Family members (13,600 total  
29 personnel).

30  
31 **Q. What is the impact of MCAS Yuma on the Arizona economy?**

1

2 A: In addition to the \$148,051,301 million payroll, MCAS Yuma impacts the state's  
3 economy with construction projects, major contracts and daily procurements, education  
4 requirements, health necessities, and commissary and exchange expenditures. In addition  
5 to MCAS Yuma's work force, there are more than 2,289 base retirees, both civilian and  
6 military, who continue to have a large positive impact on the state's economy. Some  
7 MCAS Yuma employees have secondary jobs in the local communities in such fields as  
8 housing, food, health care and the services industries, having an economic impact on  
9 Arizona of approximately \$287,101,441 million per year.

10

11 MCAS Yuma executed \$58,101,441 in annual contract awards in Fiscal Year 2005. Of  
12 this amount, \$ 15,351,158 was awarded within the state of Arizona and \$7,101,726 was  
13 awarded to small and disadvantaged businesses.

14

15 **Q. Where does MCAS Yuma purchase its electric utility service?**

16

17 A: We purchase our electric utility services from Arizona Public Service Company  
18 (APS). MCAS Yuma takes utility service on the E-32 and E-34 Rate Schedules.  
19 MCAS Yuma currently pays APS about \$ 3,500,000 per year for electric utility service.

20

21 **Q. What funds are used to pay Marine Corps utility bills?**

22

23 A. The funds used to pay for the utility service provided by APS are operations and  
24 maintenance (O&M) funds. Operations and Maintenance funds are also used to fund  
25 military operations and other general maintenance needs. Utility bills are "must pay"  
26 bills, meaning they are among the first requirements funded and paid by the government.  
27 Any cost avoidance or reduction in costs MCAS Yuma pays for utilities ensures funds  
28 could be utilized elsewhere for essential military operations and maintenance.

29

30 **Q. What happens to MCAS Yuma's O&M funds when there is a large increase in**  
31 **utility bills?**

1

2 A. Since the funding used to pay utility bills is the same funding used to fund military  
3 operations and maintenance, when utility bills increase, reductions in other areas of our  
4 military operations and maintenance must be taken. The only mechanism we have to  
5 increase our overall funding level is to request additional appropriations from  
6 Headquarters United States Marine Corps and ultimately, Congress.

7

8 **Q. Does this conclude your testimony?**

9

10 A. Yes it does.